SECRET Foreign and Commonwealth Office London SW1A 2AH 30 March 1984 Prine Ministr.

For information.

A. & C. 207 Iran/Iraq: Chemical Weapons Thank you for your letter of 26 March drawing our attention to two points raised by the Prime Minister concerning the proposed supply by the Aldridge Chemical Company to Iran of two chemicals (Chloroethanol and Thiodiglycol) used in the manufacture of mustard gas. Since receipt of your letter, an FCO official has discussed the matter informally with the company concerned. As a result, I understand that the company have decided

discussed the matter informally with the company concerned As a result, I understand that the company have decided not to supply the Thiodiglycol. 700 kilos of the Chloroethanol (the material of lesser concern to us) had left for the shipping agent before we first learnt of the proposed supply and this is believed to be already on its way to Iran. However, we understand that the company will not now supply the remaining order of 300 kilos. We have indicated to them that these decisions are welcome.

On the question of wider action, DTI, MOD and FCO officials met on 27 and 28 March to consider the implications of extending export control to various chemicals used in the manufacture of mustard gas and tabun (the use of which in Iran the UN Team confirmed in their report published on 26 March). I enclose a copy of the report agreed by officials. The paper identifies the ingredients needed to manufacture those chemical weapons and it considers the merits of an extension of licensing to such chemicals.

The US Administration today instituted new licensing arrangements for exports to Iran and Iraq of five chemicals, including Thiodiglycol, which could be used to manufacture the chemical weapons being used by Iraq. The Americans are reviewing the whole issue of export licensing in this area and have said that further controls might be introduced. They have asked other governments to consider urgently the introduction of similar export controls.

/Sir Geoffrey



Sir Geoffrey Howe raised the question of chemical exports with Mr Van Den Broek in Brussels on 27 March. The latter envisaged some difficulty in extending the list to control Dutch chemical exports. He agreed with the Secretary of State that any change would be less embarrassing if action were taken by a number of countries together, and that this should be carefully considered. I understand that this issue is being raised today by DTI officials in the Article 113 Committee in Brussels.

This Community approach is in line with the outcome of the brief discussion of the subject in Cabinet yesterday.

We are trying to arrange a discussion between FCO, DTI and MOD MInisters next week to review specific actions in the light of the agreed paper, which will be updated as necessary, and of the US action. This review should provide us with the basis for any further action in the Community context.

I am letting you have this in time for this weekend's box. I shall be showing this letter in parallel to the Secretary of State this evening.

I am copying this letter to Callum McCarthy (Department of Trade and Industry), Richard Mottram (Ministry of Defence) and David Goodall (Cabinet Office).

(R B Bone)

Private Secretary

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